

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 96-402

May 14, 1998

JOHN R. O'REILLY ET. AL., V.
NEW ENGLAND TELEPHONE and
TELEGRAPH d/b/a NYNEX Request for
Waiver of Chapter 204 of the
Commission Rules for Customers in
Castine to Expand Their Local Calling Area

ORDER

WELCH, Chairman; NUGENT and HUNT, Commissioners

I. SUMMARY

In this Order, we decline to grant a waiver of Chapter 204 and close this docket.

II. BACKGROUND

On July 11, 1996, the Commission received a petition requesting a waiver from the requirements of Section VI (B)(1) of the Commission's Basic Service Calling Area Rule (Chapter 204). The petitioners request that the Bucksport and Ellsworth exchanges be added to the Premium calling area of the Castine exchange.

On July 26, 1996, the Commission's Administrative Director requested that the Company provide traffic data to help the Commission evaluate whether Castine's Premium calling area should be expanded. On September 26, 1996, the Company filed this data. This proceeding has been inactive since that time.

The current premium calling area for customers in the Castine exchange includes the exchanges of Castine and Blue Hill. The total number of access lines in the premium area is over 4,600.

Under the Circle Calling plan of Chapter 204, the petitioners may call, and be called from, each of the requested exchanges. There are 42 exchanges in the surrounding 30-mile Circle Calling area. In addition, calls made from pay telephones within the Castine premium calling area, to all bordering exchanges and exchanges within 20 miles of the Castine exchange will be priced at \$0.30 for each two minutes (thus, payphone calls from school to home are now priced at a more reasonable rate).¹

¹ The Company is expected to raise this rate to \$0.35 by June 1, 1998.

II. CHAPTER 204

On May 19, 1994, the Commission adopted the Basic Service Calling Area rule (Chapter 204) in Docket No. 93-170, which was effective on June 25, 1994. Chapter 204 of the Commission's rules describes the manner in which calling areas are to be expanded uniformly throughout the state, using a community of interest approach based on the calling patterns of the entire exchange. Where residential calling patterns do not meet the threshold for expansion established by the BSCA rule, Chapter 204 provides a Circle Calling option for toll calls to all exchanges within 30 miles of the home exchange.

II. DISCUSSION

On March 11, 1996, Bell Atlantic filed its response to the request for waiver of Chapter 204.² In this response, the Company made two comments. First, the Company notes that the calling patterns of the Castine exchange do not meet the threshold established by the Commission's rule. Consistent with the rule, the Company has offered Castine exchange customers a Circle Calling option for reduced rate calling to neighboring exchanges within 30 miles of the home exchange.

Second, the Company noted that it has a service for residential customers that provides a 50% discount off the rates to Bucksport and Ellsworth, which it calls Selective Calling Service. The Company notes that it also has two broader calling plans, Pine Tree State Service and CallAround Circle Calling Service, for which a "block of time" can be purchased; depending on the customer's calling patterns, these plans can be economical for some customers.

Based on these comments, the Company does not support the request for waiver of the requirements of Chapter 204.

The waiver provisions of Chapter 204 requires customer signatures for a waiver request. This request contains signatures from 821 telephone customers in the Castine exchange which exceeds the requirement in the rule for at least 1,000 signatures or at least 30 percent of the exchange's subscribers in support of a waiver request (more than 802 subscribers in this case). Thus, the petitioners met Chapter 204's threshold for a waiver request by customers.

² Chapter 204 requires the petitioners to contact the Company regarding a waiver request prior to filing a request for waiver with the Commission.

The calling patterns of the Castine exchange, however, do not meet the threshold established by Chapter 204, as indicated by the Company's proprietary response on September 26, 1996. The Company conducted a study of each toll call on the June 1996 bills of the individual Castine residents. About 27% of Castine's residential customers made at least four toll calls to the Bucksport exchange in the billed month, while 28% made at least four toll calls to Ellsworth. These calling volumes are well below the requirements of Chapter 204, which requires that at least 50% of an exchange's customers make at least 4 calls to the requested exchange.

Although Chapter 204 grants the petitioners only partial relief, we are reluctant to depart from the requirements of this rule. Chapter 204 is designed to expand calling areas where there is a claimed need and recorded calling volumes confirm that need. Because these tests have not been met, we will not grant a waiver of Chapter 204 requirements and instead will close the investigation and require that the Company inform its customers in Castine of its optional calling plans.

We encourage the Petitioners to investigate optional calling plans to determine whether these services would be economically beneficial to the subscriber; in this case, the first hour of Circle Calling service to exchanges in a 30-mile range is \$6.00 and \$0.10 per minute after that.³

While we are not able to grant the petitioners request, and we regret that so much time has passed since this petition was filed, we note that we are working diligently to lower instate long-distance rates pursuant to 35-A M.R.S.A. § 7101-B. Lower instate long distance rates should ameliorate customer concerns about limited calling areas.

Therefore, we

O R D E R

³ In addition, Bell-Atlantic's Pine Tree calling plan may be beneficial for some customers. Pine Tree service is designed to be a state-wide, "off-peak" plan and therefore includes time-of-day pricing.

That this investigation be closed and the complaint dismissed.

Dated at Augusta, Maine this 14th day of May, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Nugent
Hunt